



**LAC
DMH**

LOS ANGELES COUNTY
DEPARTMENT OF
MENTAL HEALTH 500 S. VERMONT AVE., LOS ANGELES, CA 90020 [HTTP://DMH.LACOUNTY.GOV](http://DMH.LACOUNTY.GOV)



ROBIN KAY, PH.D.
Acting Director

DENNIS MURATA, M.S.W.
Acting Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

April 12, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO EXTEND THE TERM OF 75 DEPARTMENT OF MENTAL HEALTH
PHARMACY AGREEMENTS FOR FISCAL YEAR 2016-17
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to extend the term of 75 pharmacy agreements for the purpose of dispensing medication to Department of Mental Health clients throughout Los Angeles County.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Acting Director of Mental Health (Acting Director), or her designee, to prepare, sign, and execute amendments, substantially similar to Attachment I, with 75 pharmacy contractors listed in Attachment II, to extend the term of their existing agreements for a period of up to twelve months, on a month-to-month basis, beginning July 1, 2016, through June 30, 2017. The extension will allow contracted pharmacies to continue dispensing medication to Department of Mental Health (DMH) clients countywide. The estimated monthly cost of the 75 pharmacy agreement extensions is \$633,000 up to the total amount of \$7,596,000 for 12 months, which is funded by 2011 Realignment and State Mental Health Services Act (MHSA) revenue.
2. Delegate authority to the Acting Director, or her designee, to prepare, sign, and execute future new agreements with additional qualified pharmacies and amendments to existing or future new agreements, provided that: 1) any revision will reflect programmatic and/or policy changes; 2) your Board has appropriated sufficient funds for all changes and new agreements; 3) approval as to form by County Counsel, or her designee, is obtained prior to execution of any such amendments or new agreements; and 4) the Acting Director, or her designee, notifies your Board and the Chief Executive

Office (CEO) of new agreements or changes in writing within 30 days after execution of each agreement or amendment.

3. Delegate authority to the Acting Director, or her designee, to terminate agreements with pharmacies upon their request, or for those that have closed, changed ownership, or choose not to acquire or maintain Surescripts certified pharmacy management software for the purposes of receiving electronic prescriptions submitted by County prescribers. The Acting Director, or her designee, will notify your Board of such terminations in writing within 30 days after execution of each termination.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of the recommended actions will allow DMH to extend the term of 75 existing pharmacy agreements expiring on June 30, 2016, on a month-to-month basis for up to 12 months, from July 1, 2016, through June 30, 2017. Extending the existing 75 pharmacy agreements will allow DMH pharmacy contractors to continue dispensing medically necessary medications to DMH clients while DMH concludes a Request for Proposal (RFP) solicitation bid process for a Pharmacy Benefit Management (PBM) agreement.

In addition, approval of the recommended actions will allow DMH to further amend the 75 pharmacy contracts and/or execute new agreements as needed until the completion of the PBM RFP process.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The monthly estimated cost of these 75 pharmacy agreement extensions in Fiscal Year (FY) 2016-17 is \$633,000 per month up to the total amount of \$7,596,000 for 12 months, which is funded by 2011 Realignment and State MHSA revenue. Funding for these extensions are included in FY 2016-17 Recommended Budget.

There is no increase in net County cost associated with the above recommendations.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In January 2014, DMH initiated a RFP process to identify a qualified agency to provide PBM services. The RFP was released to the public on May 1, 2014. DMH received two responses. The evaluation process for the RFP concluded on October 8, 2014. DMH is currently engaged in contract negotiations with the selected agency as a result of this process. Negotiations are expected to conclude in May 2016. However, it is anticipated that upon approval of the Agreement by your board, the vendor and DMH will need four months for system configuration, testing, and training. The go-live date for PBM services is expected to occur by October 2016. When this is achieved, the PBM will assume responsibility for administration of DMH's prescription drug program.

Medication support services play a vital role in the treatment and wellness of DMH clients.

Psychiatrists in DMH directly-operated and contracted programs prescribe psychotropic medications to DMH clients receiving services in these programs which are filled by the existing 75 contracted pharmacies. Extending the term of the 75 contracted pharmacies, listed on Attachment II, is a critical component in the delivery of mental health services to DMH clients.

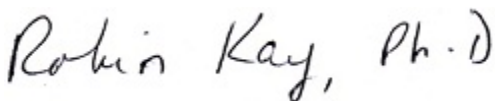
The attached Amendment format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions.

Clinical and administrative staff of DMH will continue to administer and monitor contractors' adherence to pharmacy agreements to ensure quality services are provided to clients. As mandated by your Board, DMH evaluates the performance of all contractors on an annual basis to ensure contractors are in compliance with all contract terms and performance standards.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval of the 75 extension amendments will allow existing contractors to continue dispensing medication to DMH clients.

Respectfully submitted,

A handwritten signature in black ink that reads "Robin Kay, Ph.D." The signature is written in a cursive, flowing style.

ROBIN KAY, Ph.D.

Acting Director of Mental Health

RK:RS:DM:DKH:pd

Enclosures

- c: Executive Office, Board of Supervisors
- Chief Executive Office
- County Counsel
- Chairperson, Mental Health Commission

CONTRACT NO. MH150XXX

AMENDMENT NO. _____

THIS AMENDMENT is made and entered into this 22nd day of March, 2016, by and between the COUNTY OF LOS ANGELES (hereafter "County") and PHARMACY CONTRACTOR (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated JULY 1, 201X, identified as County Agreement No. MH150XXX, as subsequently amended (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Years 201X-1X, County and Contractor executed Agreement MH150XXX for the provision of Pharmacy Services to dispense medications to clients who reside throughout the County of Los Angeles; and

WHEREAS, for Fiscal Year 2016-17, County and Contractor intend to amend Agreement to extend the term of this Agreement for up to an additional 12 months, on a month-to-month basis, beginning July 1, 2016 through June 30, 2017 to continue to provide Pharmacy services to dispense medications to clients who reside throughout the County of Los Angeles.

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Paragraph 1 (TERM) subparagraphs 1 through 4 shall be deleted in its entirety and the following substituted therefore:

1. TERM:

A. Initial Period: The Initial Period of this Agreement shall commence on July 1, 2016 and shall continue in full force and effect through July 31, 2016.

B. Extension Period(s): After the Initial Period, this Agreement may be extended by DMH, in its sole discretion, for up to eleven additional one-month terms, unless the desire of either party to terminate this Agreement is given in writing to the other party thirty days prior to termination.

(1) First Extension Period: If this Agreement is extended, the First Extension Period shall commence on August 1, 2016 and shall continue in full force and effect through August 31, 2016.

(2) Second Extension Period: If this Agreement is extended, the Second Extension Period shall commence on September 1, 2016 and shall continue in full force and effect through September 30, 2016.

(3) Third Extension Period: If this Agreement is extended, the Third Extension Period shall commence on October 1, 2016 and shall continue in full force and effect through October 31, 2016.

(4) Fourth Extension Period: If this Agreement is extended, the Fourth Extension Period shall commence on November 1, 2016 and shall continue in full force and effect through November 30, 2016.

(5) Fifth Extension Period: If this Agreement is extended, the Fifth Extension Period shall commence on December 1, 2016 and shall continue in full force and effect through December 31, 2016.

(6) Sixth Extension Period: If this Agreement is extended, the Sixth

Extension Period shall commence on January 1, 2017 and shall continue in full force and effect through January 31, 2017.

(7) Seventh Extension Period: If this Agreement is extended, the Seventh Extension Period shall commence on February 1, 2017 and shall continue in full force and effect through February 28, 2017.

(8) Eighth Extension Period: If this Agreement is extended, the Eighth Extension Period shall commence on March 1, 2017 and shall continue in full force and effect through March 31, 2017.

(9) Ninth Extension Period: If this Agreement is extended, the Ninth Extension Period shall commence on April 1, 2017 and shall continue in full force and effect through April 30, 2017.

(10) Tenth Extension Period: If this Agreement is extended, the Tenth Extension Period shall commence on May 1, 2017 and shall continue in full force and effect through May 31, 2017.

(11) Eleventh Extension Period: If this Agreement is extended, the Eleventh Extension Period shall commence on June 1, 2017 and shall continue in full force and effect through June 30, 2017.

2. Contractor shall provide services in accordance with the Contractor's Fiscal Year 201X-1X Contract Package for this Agreement and any addenda thereto approved in writing by Acting Director or her designee.
3. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Acting Director of Mental Health, or her designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
ROBIN KAY, Ph.D.
Acting Director of Mental Health

CONTRACTOR
By _____
Name _____
Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Interim Chief, Contracts Development
and Administration Division

County of Los Angeles-Department of Mental Health
Contracted Pharmacies

ATTACHMENT II

CONTRACTOR	PHARMACY DBA	SERVICE AREA	SUP DISTRICT	PHARMACY SITE ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE	FAX
A.A.M. Health Group, Inc.	Canoga Park Pharmacy	2	3	22330 Sherman Way, Suite C3	Canoga Park	CA	91303	818 348-6600	818 348-0739
AHCS Mental Health and Wellness Inc.	Berry and Sweeney Pharmacy	3	5	1377 N. Fair Oaks Avenue	Pasadena	CA	91103	626 794-1124	626 797-0424
Alchemy Pharmacies, Inc.	Abrams and Clark Pharmacy	8	4	3841 Atlantic Avenue	Long Beach	CA	90807	562 427-7901	562 427-9638
Anaheim Plaza Pharmacy, Inc.		Out of County	Out of County	184 E. Liberty Ave	Anaheim	CA	92801	714-220-0720	714/525-4100
Andrew Kwong	Gateway Circle Pharmacy	4	1	3133 N. Broadway	Los Angeles	CA	90031	323 223-3228	323 222-1825
B & G Pharmacy, Inc.		4	3	5101 Hollywood Blvd.	Los Angeles	CA	90027	323 668-0523	323 668-0524
B.D.O. Corporation	Fairfax Pharmacy	4	3	1111 North Fairfax Avenue, Suite 110	Los Angeles	CA	90046	323 656-9622	323 656-9718
Belville Enterprises, Inc.	Ron's Pharmacy Services	Out of County	Out of County	6225 Nancy Ridge Dr.	San Diego	CA	92121	858-652-6960	858 652-6999
BGMT Pharmacy, Inc.	Gardena Professional Pharmacy	8	2	1045 W. Redondo Beach Blvd., Suite #140	Gardena	CA	90247	310 532-0222	310 532-0553
Chong W. Roh	El Camino Pharmacy	2	3	10940 Victory Blvd.	North Hollywood	CA	91606	818 763-4334	818 763-4610
Crenshaw Pharmcare, Inc.	Garfield Prescription Pharmacy	4	2	3756 Santa Rosalia Drive	Los Angeles	CA	90008	323 295-5585	323 293-7789
Didadax Corporation	Medic Pharmacy	7	4	16900 Bellflower Boulevard	Bellflower	CA	90706	562 925-6505	562 925-8786
DPD Rx, Inc.	Apple Pharmacy II	7	4	17601 Lakewood Blvd.	Bellflower	CA	90706	562 220-2586	562 220-2735
Evergreen	Pharmacy Support Services	7	4	13825 A1 & A2 Cerritos Corporate Drive	Cerritos	CA	90703	562 229-3500	562 229-3590
F.D.M. Exclusive Image, Inc.	Coover Pharmacy	8	4	891 W. 9th Street	San Pedro	CA	90731	310 833-2575	310 832-2531
Fairveola Banks	Intra Drugs Lynwood	7	2	3628 E. Imperial Highway, Suite 102	Lynwood	CA	90262	310 637-2006	310 637-2522
Fairveola Banks and Bianca Banks	Intra Drugs Artesia	6	2	403 S. Long Beach Blvd., Suite C	Compton	CA	90221	310 639-1653	310 635-7374
GAA Pharmacy Inc.	Haig Pharmacy	2	5	1106 S. Glendale Avenue	Glendale	CA	91205	818-500-0800	818-500-8527
Garden Plaza Pharmacy, A		2	3	18411 Clark Street, Suite 106	Tarzana	CA	91356	818 345-7982	818 345-7983
G.J.P.L., Inc.	St. John's Medical Plaza Pharmacy	5	3	1301 20th St. #120	Santa Monica	CA	90404	310 453-6553	310 828-5645
Giesener Pharmacy, Inc.		3	5	321 N. Citrus Avenue	Covina	CA	91723	626 966-3691	626 331-8691
Gold Medal Pharmacy, Inc.	Arcadia Center Pharmacy	3	5	631 W. Duarte Road	Arcadia	CA	91007	626 446-3300	626 446-3360
Goldfarb Rx Enterprises, Inc.	Central Pharmacy	5	3	900 Wilshire Blvd., Suite 104	Santa Monica	CA	90401	310 395-3294	310 395-5585
Good Health, Inc.	Premier Pharmacy #4	7	1	410 Cloverleaf Drive	Baldwin Park	CA	91706	888 619-6196	866 201-7820
H P Badesha Co.	Glendora Medical Pharmacy	3	5	130 W. Route 66	Glendora	CA	91740	626 335-0288	626 335-1487
Hygeia Apothecary Inc.	Botica Del Sol	4	1	2331 E. Cesar Chavez Ave.	Los Angeles	CA	90033	323 260-7554	323 261-6782

County of Los Angeles-Department of Mental Health
Contracted Pharmacies

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IJJ Group, Inc.	Palmdale Medical Pharmacy	1	5	540 West Palmdale Blvd., Suite A	Palmdale	CA	93551	661 267-2638	661 267-0813
Inf Corp.	Star Pharmacy	2	3	14400 Vanowen St.	Van Nuys	CA	91405	818- 304-0881	818-304-0882
J.M.C. Drug, Inc. John's Shop-Rite Pharmacy, Inc.	Owl Rexall Drugs	4	1	5634 N. Figueroa Street	Los Angeles	CA	90042	323 254-2851	323 254-0875
KC Pharmacies, Inc.	Verdugo Clinic Pharmacy North Hollywood Medical Arts Pharmacy	8	4	3717 East South Street	Long Beach	CA	90805	562 616-0056	562 220-1532
Kenneth Ross		3	5	1540 E. Colorado Street	Glendale	CA	91205	818 550-0218	818 550-0211
Koam Pharmacy, Inc. La Cresentia Pharmacy, Inc.		2	3	4420 Vineland Avenue	North Hollywood	CA	91602	818 766-3996	818 766-0239
Lauren Pharmacy	Laurel Pharmacy	4	7	18102 Pioneer Blvd., Suite 101	Artesia	CA	90701	562 402-3636	562 402-3676
Market Pharmacy Inc. Marvin Lieblein, Incorporated Medical Specialty Pharmacy	Family Pharmacy	2	5	2764 Foothill Blvd.	La Cresentia	CA	91214	818 248-5851	818 248-6292
Meyers Pharmacy, Inc.	De Soto Pharmacy	2	2	13696 Van Nuys Blvd.	Pacoima	CA	91331	818 896-1104	818 896-7299
Mike Lord Mission Road Pharmacy, Inc.	Crown Drugs	2	5	9250 Reseda Blvd., #2C	Northridge	CA	91324	818 701-7777	818 700-4510
ModernHEALTH Holdings, Inc.	Mission Road Pharmacy	8	4	1400 Atlantic Avenue	Long Beach	CA	90813	562 591-4417	562 591-0416
ModernHEALTH Specialty, LLC	Modern Health Pharmacy	2	3	18433 Roscoe Blvd. #110	Northridge	CA	91325	818 993-7333	818 993-7191
	AD-RX Pharmacy	2	3	20914 Roscoe Blvd.	Canoga Park	CA	91304	818 341-9515	818 341-4434
		8	2	657 E. University Dr.	Carson	CA	90746	310 323-6193	310 217-8190
		4	1	1155 North Mission Road	Los Angeles	CA	90033	323 227-4646	323 227-8887
		3	5	110 E. Huntington Drive	Monrovia	CA	91016	626 932-1600	626 932-1788
		4	3	6240 Wilshire Blvd.	Los Angeles	CA	90048	323 936-8221	323 936-0312
Nisha Pharmacy, Inc. Oakdale Pharmacy, Inc.	Alpha Drugs	Out of County	Out of County	1240 South Magnolia Avenue	Anaheim	CA	92804	714 220-0373	714-220-1462
Olympic Gerhart Pharmacy, Inc.	Oakdale Pharmacy	2	3	5400 Balboa Boulevard	Encino	CA	91316	818 788-0770	818 788-0550
Pacific Healthcare, Inc.	Olympic Pharmacy	4	1	5724 E. Olympic Blvd.	City of Commerce	CA	90022	323 722-1515	323 722-2083
	B & B Pharmacy	7	5	10244 Rosecrans Ave	Bellflower	CA	90706	562 866-8363	562 925-6208
Pacific Healthcare, Inc.	Better Value Pharmacy	3	1	1135 S. Sunset #101	West Covina	CA	91790	626-960-4723	626-813-7648
Pacific Pharmacy Group	Valencia Pharmacy	2	5	23550 Lyons Avenue, Suite 111	Newhall	CA	91321	661 255-7910	661 255-7987
Pai and Chan Pharmacy Corporation	Medical Center Pharmacy	8	2	501 E. Hardy Street, Suite 130	Inglewood	CA	90301	626 673-9744	714 995-4150
Pai and Chan Pharmacy Corp. II	Key Drug Co.	4	2	770 S. Vermont Avenue	Los Angeles	CA	90005	213 383-2211	213 559-0710

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PharMerica Drug Systems, Inc.	PharMerica #7020	Out of County	Out of County	833 Marlborough Ave.	Riverside	CA	92507	714 891-5145	714 372-3119
PharMerica Drug Systems, Inc.	PharMerica #7036	Out of County	Out of County	11205 Knott Ave., Suite C	Cypress	CA	90630	951 784-1616	951 680-4715
Phnom Pich Pharmacy, Inc.	Phnom Pich Pharmacy, Inc.	8	4	2338 E. Anaheim St., Suite 100	Long Beach	CA	90804	562 438-3324	562 987-1801
Plaza Pharmacy		8	2	11930 Hawthorne Boulevard	Hawthorne	CA	90250	310 973-5200	310 973-1243
Prescriptions Plus Inc.	Super-Rite Drugs	2	3	14425 Burbank Blvd.	Van Nuys	CA	91401	818 785-0441	818 785-1315
Prime Pharmacy Services, Inc.		4	2	4211 Avalon Blvd. Ste. 378	Los Angeles	CA	90011	323 233-0425	323 231-5091
Rami, Inc.	Alpha Pharmacy	4	2	174 S. Alvarado Street	Los Angeles	CA	90057	213 483-8741	213 483-8743
Recovery Pharmaceuticals, Inc.	Knollwood Pharmacy	2	2	16911 San Fernando Mission Blvd	Granada Hills	CA	91344	818 363-8107	818 831-2024
RelyOn Pharmacy, Inc.	Value Care Pharmacy	Out of County	Out of County	17662 Irvine Blvd. Ste. 14	Tustin	CA	92780	714 210-1950	714 210-1960
Rivendell, Inc.	Griffith Drugs	7	1	11721 Telegraph Rd., Unit I	Santa Fe Springs	CA	90670	562 949-1003	562 949-3347
Robert Feiles and Susan Feiles	Victory-Tampa Pharmacy, VT Pharmacy	2	3	19300 Vanowen Street	Reseda	CA	91335	818 345-6111	818 345-6531
RXTS Drug Co.	Yee's Prescription Pharmacy	8	4	1703 Termino Avenue	Long Beach	CA	90804	562 597-7733	562 498-1171
Samir Daher and Mitra Silver Brooks	The Marsh Village Pharmacy	2	5	2143 Foothill Blvd.	La Canada	CA	91011	818 248-3643	818 248-0678
Enterprises, Inc.	Vernon-Main Pharmacy	4	2	4401 South Main St.	Los Angeles	CA	90037	323 231-9307	323 231-7057
Suburban Drug Co.	Los Coyotes Drug	8	4	3597 Los Coyotes Diagonal	Long Beach	CA	90808	562 420-1480	866 859-1508
Sumi Pharmacies, Inc.	Wards Pharmacy	8	4	653 Long Beach Boulevard	Long Beach	CA	90802	562 437-0678	562 436-4601
Sungyong S. Kim	Memorial Medical Center Pharmacy	6	2	9806 Venice Blvd.	Culver City	CA	90232	310 837-6158	310 837-6159
Thrifty Payless, Inc.	Rite Aid	2,3,4,6,8	4	30 Hunter Lane	Camp Hill	PA	17011	717 730-8217	310-320-8211
Thu Pharmacy	Vine Discount Pharmacy & Medical Supply	8	2	15735 Hawthorne Blvd., Suite 110	Lawndale	CA	90260	310 676-3489	310 676-7929
Vine Discount Pharmacy & Medical Westlake Medical Management, Inc.		4	3	1253 N. Vine, Suite 11	Los Angeles	CA	90038	323-957-9446	323 957-9846
William Chung	Westlake Pharmacy	1	4	2500 Wilshire Blvd., Suite 101	Los Angeles	CA	90057	213 383-4262	213 383-4263
Woori Pharmacy, Inc.	CBC Royalty Pharmacy	3	5	1902 Royalty Drive, Suite 110	Pomona	CA	91767	909 620-0343	909 629-1748
Zaher Pharmacy & Medical Supply, Inc.	Woori Pharmacy	2	4	266 S. Harvard Blvd., Suite 120	Los Angeles	CA	90004	213 384-6323	213 384-6340
	Notel Pharmacy	4	1	215 E. 7th Street	Los Angeles	CA	90014	213 623-9171	213 623-1030